

**Introduced by Senator Anderson**February 22, 2013

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An act to amend Section 206.1 of the Revenue and Taxation Code, relating to taxation.

## LEGISLATIVE COUNSEL'S DIGEST

SB 797, as introduced, Anderson. Property taxation: exemption: parking: religious activities.

Existing property tax law exempts from tax any real property that is reasonably and necessarily required for the parking of automobiles by persons engaged in religious activities, as specified.

This bill would make technical, nonsubstantive changes to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section 206.1 of the Revenue and Taxation Code  
2     is amended to read:  
3     206.1. (a) Pursuant to the authority ~~of~~ *in* subdivision (d) of  
4     Section 4 of Article XIII of the California Constitution, and in  
5     accordance with subdivision (b) of this section, all real property  
6     that is necessarily and reasonably required for the parking of  
7     automobiles of persons who are attending religious services, or  
8     are engaged in religious services or worship or any religious  
9     activity, is exempt from taxation.  
10    (b) For purposes of the exemption established by subdivision  
11    (a), all of the following ~~shall~~ apply:

1 (1) “Real property” means land and improvements or a  
2 possessory interest in land and improvements.

3 (2) The real property is not required to be contiguous to the land  
4 on which the church or other structure used for religious services  
5 or as the place of worship or religious activity is located.

6 (3) The real property is not at other times used for commercial  
7 purposes. For purposes of this paragraph, “commercial purposes”  
8 does not include use of the property for the parking of vehicles or  
9 bicycles, the revenue from which does not exceed the ordinary  
10 and necessary costs of maintaining the real property.

11 (4) The exemption shall apply to otherwise qualifying land and  
12 improvements regardless of whether the land and improvements  
13 are owned by the church, religious denomination, or sect using the  
14 land and improvements for the parking of automobiles by persons  
15 described in subdivision (a). However, the exemption shall apply  
16 to land and improvements that are not owned by the church,  
17 religious denomination, or sect using the land and improvements  
18 for the parking of automobiles by persons described in subdivision  
19 (a) only as long as all of the following conditions are met:

20 (A) The congregation of the church, religious denomination, or  
21 sect is no greater than 500 members.

22 (B) The church, religious denomination, or sect is engaged in  
23 a lease of the land and improvements for the exclusive purpose of  
24 the parking of automobiles by persons described in subdivision  
25 (a).

26 (C) The church, religious denomination, or sect is responsible,  
27 under the terms of its lease with the fee owner of the land and  
28 improvements, for paying the property taxes levied on the land  
29 and improvements. For purposes of this subparagraph, paying  
30 property taxes levied on land and improvements includes  
31 reimbursement paid to the fee owner of the land and improvements  
32 for those taxes.

33 (D) The real property is used exclusively for the parking of  
34 automobiles by persons described in subdivision (a).

35 (E) The fee owner of the real property and the county agree that  
36 the fee owner shall pay the total amount of taxes that would be  
37 levied on the real property for the current fiscal year and the first  
38 two subsequent fiscal years in the absence of a grant of exemption  
39 pursuant to this paragraph for the current fiscal year, if the real  
40 property is used for any purpose other than that specified in

1 subparagraph (D) during either of those two subsequent fiscal  
2 years.

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